

**MINUTES OF THE HOUSE BUSINESS AND LABOR
STANDING COMMITTEE**

Room W010, West Office Building, State Capitol Complex
February 14, 2005

Members Present: Rep. Stephen D. Clark, Chair
Rep. Jim Dunnigan, Vice Chair
Rep. J. Stuart Adams
Rep. Jackie Biskupski
Rep. David Clark
Rep. Carl W. Duckworth
Rep. Craig A. Frank
Rep. Neil A Hansen
Rep. Todd E. Kiser
Rep. Michael T. Morley
Rep. Curtis Oda
Rep. Gordon E. Snow
Rep. Scott L. Wyatt

Staff Present: Mark Steinagel, Policy Analyst
Rosemary Young, Committee Secretary

Note: List of visitors and a copy of handouts are filed with committee minutes.

Rep. S. Clark called the meeting to order at 4:17 p.m.

MOTION: Rep. Morley moved to approve the minutes of the February 11, 2005 meeting. The motion passed unanimously with Reps. Clark and Biskupski absent for the vote.

H.B. 255 **Investment of Higher Education Institution Endowment Funds** (*Rep. D. Clark*)

Rep. D. Clark presented the bill.

Spoke to the bill: Larry Richardson, Utah Money Management Council
Bruce Cohne, Utah Money Management Council

Spoke for the bill: Dorian Page, Southern Utah University
Betsy Ross, State Auditors Office
John Fellows, Legislative Research and General Counsel

MOTION: Rep. Morley moved to pass H.B. 255 out favorably. The motion passed unanimously.

H.B. 349 Money Management Act Amendments (Rep. D. Clark)

Rep. D. Clark explained the bill. Bruce Cohne, Utah Money Management Council, answered questions from the committee.

MOTION: Rep. Wyatt moved to amend H.B. 349 as follows:

1. *Page 1, Lines 10 through 13:*

10 This bill:
11 ▶ amends the State Money Management Act to provide that a certified investment
12 adviser's violation of rules and orders under the act must be
13 ~~{willful}~~ intentional in order for a
13 criminal penalty to apply.

2. *Page 1, Lines 25 through 27:*

25 (1) Each certified investment adviser who ~~{willfully}~~ intentionally
violates Section 51-7-7, 51-7-11, or
26 51-7-11.5, or who ~~{willfully}~~ intentionally violates any rule or order under this
chapter is guilty of a third
27 degree felony.

The motion to amend passed unanimously with Rep. Kiser absent for the vote.

MOTION: Rep. Wyatt moved to pass the bill out favorably. The motion passed unanimously.

MOTION: Rep. Dunnigan moved to place H.B. 349 on the Consent Calendar. The motion passed unanimously.

H.B. 273 Real Estate and Mechanics Liens - Security Alternatives (Rep. M. Morley)

Rep. Morley explained the bill with the assistance of Darrel Bostwick, an attorney.

MOTION: Rep. Adams moved to pass the bill out favorably. The motion passed unanimously with Rep. D. Clark absent for the vote.

1st Sub. S.B. 48 Insurance Cancellation and Nonrenewal Restrictions (Sen. P. Arent)

Sen. Arent explained the bill assisted by Rep. Oda.

Spoke for the bill: Brian Allen, American Family Insurance
Ross Marchant, Farmers Insurance
Chris Purcell, State Farm Insurance

MOTION: Rep. Oda moved to amend the bill as follows:

1. Page 4, Line 118 through Page 5, Line 131:

- 118 (5) Notwithstanding Subsections (2) and (4), an insurer may not cancel or fail to
renew
- 119 ~~§~~→ ~~[an insurance policy]~~ the following personal lines insurance policies ←~~§~~ solely on
the basis
- 119a of:
- 120 (a) in the case of a motor vehicle insurance policy:
- 121 (i) a claim from the insured that:
- 122 (A) results from an accident :
(I) in which the insured is not at fault; and
(II) the driver of the motor vehicle that is covered by the motor vehicle
insurance policy is 21 years of age or older; and
- 123 (B) is the only claim meeting the condition of Subsection (5)(a)(i)(A) within a
124 36-month period;
- 125 (ii) a single traffic violation by an insured that:
- 126 (A) is a violation of a speed limit under Title 41, ~~§~~→ ~~[Chapter 6, Traffic Rules and~~
127 ~~Regulations;]~~ Chapter 6a, Traffic Code;
- 127a (B) is not in excess of ten miles per hour over the speed limit;
- 128 ~~{(B)}~~ ~~(C)~~ ←~~§~~ is not a ~~§~~→ ~~[school zone]~~ ←~~§~~ traffic violation under ~~§~~→ :
- 128a (I) Subsection 41-6a-601;
- 128b (II) ←~~§~~ Section ~~§~~→ ~~[41-6-48.5;]~~ 41-6a-604; or
- 128c (III) Section 41-6a-605; ~~{and}~~
- 129 ~~{(C) is not in excess of ten miles per hour over the speed limit; and}~~ ←~~§~~
(D) is not a violation by an insured driver who is younger than 21 years of
age; and
- 130 ~~{(D)}~~ **(E)** is the only violation meeting the conditions of Subsections
(5)(a)(ii)(A) through
- 131 ~~{(E)}~~ **(D)** within a 36-month period;

The motion to amend passed unanimously with Reps. D. Clark and Adams absent for the vote.

MOTION: Rep. Frank moved to amend the bill as follows:

1. *Page 5, Lines 143 through 146a*
Senate 2nd Reading Amendments
2-10-2005:

143 (i) results solely from:
144 (A) wind;
145 (B) hail; {~~§~~→[or]←~~§~~} or
146 (C) lightning; {~~§~~→or
146a ~~—(D) fire; ←~~§~~}~~

The motion to amend passed unanimously with Rep. D. Clark absent for the vote.

MOTION: Rep. Biskupski moved to amend the amendment as follows:

1. *Page 5, Line 129:* After "who is younger" delete "that" and replace with "than".

The motion to amend passed unanimously with Rep. D. Clark absent for the vote.

MOTION: Rep. Kiser moved to pass 1st Sub. S.B. 48 out favorably. The motion passed unanimously with Rep. D. Clark absent for the vote.

MOTION: Rep. Frank moved to place H.B. 273 on the Consent Calendar. The motion passed unanimously with Rep. D. Clark absent for the vote.

H.R. 9 House Resolution Discouraging Participation in Free Trade Areas of the Americas
(Rep. G. Donnelson)

Rep. Donnelson explained H.R. 9.

MOTION: Rep. Frank moved to pass the resolution out favorably. The motion passed unanimously with Reps. Biskupski and D. Clark absent for the vote.

MOTION: Rep. Kiser moved to place H.R. 9 on the Consent Calendar. The motion passed unanimously.

MOTION: Rep. Adams moved to adjourn the meeting. The motion passed unanimously.

Rep. Clark adjourned the meeting at 5:47 p.m.

Rep. Stephen D. Clark, Chair